

| Notice of Allowability | Application No. | Applicant(s) | |
|-------------------------------|------------------------------|---------------------|--|
| | 10/579,996 | MOINET ET AL. | |
| | Examiner Janet L. Coppins | Art Unit 1626 | |

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address--

All claims being allowable, PROSECUTION ON THE MERITS IS (OR REMAINS) CLOSED in this application. If not included herewith (or previously mailed), a Notice of Allowance (PTOL-85) or other appropriate communication will be mailed in due course. **THIS NOTICE OF ALLOWABILITY IS NOT A GRANT OF PATENT RIGHTS.** This application is subject to withdrawal from issue at the initiative of the Office or upon petition by the applicant. See 37 CFR 1.313 and MPEP 1308.

1. This communication is responsive to Applicants' Amendment of October 18, 2007.
2. The allowed claim(s) is/are 1-21 and 23-28.
3. Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
 - a) All
 - b) Some*
 - c) None
 1. Certified copies of the priority documents have been received.
 2. Certified copies of the priority documents have been received in Application No. _____.
 3. Copies of the certified copies of the priority documents have been received in this national stage application from the International Bureau (PCT Rule 17.2(a)).

* Certified copies not received: _____.

Applicant has THREE MONTHS FROM THE "MAILING DATE" of this communication to file a reply complying with the requirements noted below. Failure to timely comply will result in ABANDONMENT of this application.
THIS THREE-MONTH PERIOD IS NOT EXTENDABLE.

4. A SUBSTITUTE OATH OR DECLARATION must be submitted. Note the attached EXAMINER'S AMENDMENT or NOTICE OF INFORMAL PATENT APPLICATION (PTO-152) which gives reason(s) why the oath or declaration is deficient.
5. CORRECTED DRAWINGS (as "replacement sheets") must be submitted.
 - (a) including changes required by the Notice of Draftsperson's Patent Drawing Review (PTO-948) attached
 - 1) hereto or 2) to Paper No./Mail Date _____.
 - (b) including changes required by the attached Examiner's Amendment / Comment or in the Office action of Paper No./Mail Date _____.

Identifying indicia such as the application number (see 37 CFR 1.84(c)) should be written on the drawings in the front (not the back) of each sheet. Replacement sheet(s) should be labeled as such in the header according to 37 CFR 1.121(d).
6. DEPOSIT OF and/or INFORMATION about the deposit of BIOLOGICAL MATERIAL must be submitted. Note the attached Examiner's comment regarding REQUIREMENT FOR THE DEPOSIT OF BIOLOGICAL MATERIAL.

Attachment(s)

1. Notice of References Cited (PTO-892)
2. Notice of Draftsperson's Patent Drawing Review (PTO-948)
3. Information Disclosure Statements (PTO/SB/08),
Paper No./Mail Date _____
4. Examiner's Comment Regarding Requirement for Deposit
of Biological Material
5. Notice of Informal Patent Application
6. Interview Summary (PTO-413),
Paper No./Mail Date _____
7. Examiner's Amendment/Comment
8. Examiner's Statement of Reasons for Allowance
9. Other _____

DETAILED ACTION

1. Claims 1-21 and 23-28 are pending in the instant application.

Response to Amendment

2. Applicants' Amendment and Response, filed October 18, 2007, has been reviewed by the Examiner and entered of record in the file. Accordingly, claims 21 and 23-28 have been amended.

Claim Rejections - 35 USC § 112

3. (a) Claims 23-28 previously rejected under 35 U.S.C. 112, first paragraph as being *improper product-use* claims.

(b) Claims 23-28 also previously rejected under 35 U.S.C. 112, second paragraph, as failing to set forth the subject matter which applicant(s) regard as their invention. In view of Applicants' amendments to the claims in which "Use of" was deleted from each claim, and the claims are now drafted in terms of methods of treating, the Examiner withdraws the rejections to the claims.

Claim Rejections - 35 USC § 101

4. Claims 23-28 were also rejected under 35 U.S.C. 101 because the claimed recitation of a use, without setting forth any steps involved in the process, results in an improper definition of a process. In view of Applicants' amendments to delete "use of" from the claims, the rejection is withdrawn.

Claim Objections

5. Claims 1-21 and 23-28 previously objected to for containing non-elected subject matter.

In view of a fair interpretation of the claims, the Examiner has expanded the elected invention to include compounds, compositions, and methods wherein X=O.

Allowable Subject Matter

6. After a thorough search, claims 1-21 and 23-28, in amended form, now appear allowable over the prior art.

Reasons for Allowance

7. Claims 1-21 and 23-28 are allowable, as newly renumbered claims 1-27.

8. The following is an examiner's statement of reasons for allowance:

This invention relates to novel substituted benzo furan and benzothiophene derivatives, their pharmaceutical compositions, and their methods of use. The allowable compounds are limited to compounds according to general formula (I) of claim 1. Certain benzothiophene or benzo furan compounds are known in the art, however the aspect of preparing the instant claimed compounds with hypoglycaemic activity, for treating diseases associated with insulin resistance, is novel and unobvious. The instant compounds were tested for their effect on insulin secretion and the results demonstrate the compounds' efficacy in reducing glycaemia in diabetic animals, which makes them useful for treating diseases such as diabetes, diabetic complications, dyslipidaemia, etc. After a thorough search, the closest of prior art, WO 99/58519 A1 Malamas et al. was found to teach similar benzofuran or benzothiophene derivatives that inhibit PTPases. However the 'WO document fails to teach or render obvious the instant claimed compounds

according to formula (I), and does not fairly suggest methods of using the instant claimed compounds for treating diabetes or insulin resistance disorders.

Any comments considered necessary by applicant must be submitted no later than the payment of the issue fee and, to avoid processing delays, should preferably accompany the issue fee. Such submissions should be clearly labeled "Comments on Statement of Reasons for Allowance."

Telephone Inquiry

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Janet L. Coppins whose telephone number is 571.272.0680. The examiner can normally be reached on M-F 8:30-5:00.

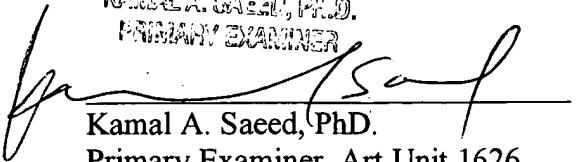
If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Joseph K. McKane can be reached on 571.272.0699. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

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Janet L. Coppins
January 5, 2008

KAMALA SAEED, PH.D.
PRIMARY EXAMINER


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Primary Examiner, Art Unit 1626